

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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JAN 21 1980

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

O. C. D.
ARTESIA, OFFICE

CASE NO. 6777
Order No. R-6248

APPLICATION OF HARVEY E. YATES
COMPANY FOR AN NGPA DETERMINATION,
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 3, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of January, 1980, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Harvey E. Yates Company, seeks a determination by the Division, in accordance with Sections 2 (6) and 102 of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission, that its Amoco 22 State Well No. 2, located in Unit G of Section 22, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, has discovered a new onshore reservoir from which natural gas was not produced in commercial quantities before April 20, 1977.

(3) That said well was completed in the Atoka formation with perforations from 10,971 to 11,094 feet, and a total depth of 12,370 feet.

(4) That although there are several wells in the vicinity of the subject well which have penetrated the Atoka formation, available well logs do not show porosity or other indications of potential production in such wells.

(5) That the only nearby well spudded before February 19, 1977, has never been successfully completed in any formation and has produced no gas from the Atoka formation.

(6) That the combined well and well log data presented establishes that said Amoco 22 State Well No. 2 has been completed in a new onshore reservoir as defined by the provisions of Section 102 (c) of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission.

IT IS THEREFORE ORDERED:

(1) That the Harvey E. Yates Company Amoco 22 State Well No. 2, located in Unit G of Section 22, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico, is completed in a new onshore reservoir as defined by Sections 2 (6) and 102 (c) of the Natural Gas Policy Act of 1978, and the applicable rules of the Federal Energy Regulatory Commission.

(2) That jurisdiction of this cause is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and Year herein-
above designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
JOE D. RAMSEY
Director

S E A L

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